



Senate

General Assembly

File No. 381

February Session, 2008

Substitute Senate Bill No. 582

Senate, April 1, 2008

The Committee on Environment reported through SEN. MEYER of the 12th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT CONCERNING THE RECYCLING OF COVERED ELECTRONIC DEVICES.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subdivision (7) of section 22a-629 of the 2008 supplement
2 to the general statutes is repealed and the following is substituted in
3 lieu thereof (*Effective October 1, 2008*):

4 (7) "Manufacturer" means any person who: (A) Manufactures or
5 manufactured covered electronic devices under a brand that it licenses,
6 owns or owned, for sale in this state; (B) manufactures or
7 manufactured covered electronic devices without affixing a brand, for
8 sale in this state; (C) resells or has resold in this state under its own
9 brand or label a covered electronic device produced by other suppliers,
10 including retail establishments that sell covered electronic [products]
11 devices under their own brand names; (D) imports or imported into
12 the United States or exports from the United States covered electronic
13 devices for sale in this state; (E) sells at retail a covered electronic
14 device acquired from an importer that is the manufacturer as described

15 in subparagraph (D) of this subdivision, and elects to register in lieu of
16 the importer as the manufacturer for those products; or (F)
17 manufactures or manufactured covered electronic devices, supplies
18 them to any person or persons within a distribution network that
19 includes wholesalers or retailers in this state, and benefits from the sale
20 in this state of those covered electronic devices through such
21 distribution network.

22 Sec. 2. Subdivision (20) of section 22a-629 of the 2008 supplement to
23 the general statutes is repealed and the following is substituted in lieu
24 thereof (*Effective October 1, 2008*):

25 (20) "Orphan device" means a covered electronic device, excluding
26 CRT-based televisions and non-CRT-based televisions, for which no
27 manufacturer, as defined in this section, can be identified or for which
28 the manufacturer is no longer in business and has no successor in
29 interest.

30 Sec. 3. Subdivision (21) of section 22a-629 of the 2008 supplement to
31 the general statutes is repealed and the following is substituted in lieu
32 thereof (*Effective October 1, 2008*):

33 (21) "Market share" means a manufacturer's national sales of a
34 particular product category of CEDs expressed as a percentage of the
35 total of all manufacturers' national sales for [a] such product category
36 of CEDs. [based on data that is publicly available.]

37 Sec. 4. Section 22a-631 of the 2008 supplement to the general statutes
38 is repealed and the following is substituted in lieu thereof (*Effective*
39 *October 1, 2008*):

40 (a) On and after [January] July 1, 2009, each manufacturer shall
41 participate in the state-wide electronics recycling program established
42 in this section to implement and finance the collection, transportation
43 and recycling of covered electronic devices, and may participate in a
44 private electronics recycling program. Said state-wide electronics
45 recycling program for the recycling of CRT-based and non-CRT-based

46 televisions shall be funded by allocating the cost of the program
47 among the manufacturers selling CRT-based and non-CRT-based
48 televisions in the state based on a sliding scale that is representative of
49 the manufacturer's market share of CRT-based and non-CRT-based
50 televisions in the state. Market share information shall be based upon
51 available national market share data.

52 (b) On and after [January] July 1, 2009, each municipality shall
53 provide for the recycling of CEDs generated within its boundaries by
54 participating in the state-wide electronics recycling program.
55 Municipalities that participate in a regional recycling program may
56 elect to participate in the state-wide electronics program through such
57 regional authority. Each municipality or regional authority shall (1)
58 provide for the collection of CEDs from residents within such
59 municipality or region, (2) arrange for the transportation of collected
60 CEDs to a covered electronic recycler, and (3) make information
61 readily available to residents of the municipality or region of the time
62 and location of the collection of CEDs. In providing collection and
63 recycling opportunities to its residents each municipality shall give
64 priority to convenience and accessibility.

65 (c) On and after [January] July 1, 2009, each covered electronic
66 recycler shall (1) cooperate with any municipality or regional authority
67 to provide for the collection and transportation of CEDs, (2) reimburse
68 a municipality or regional authority for such municipality's or such
69 authority's qualified costs of transportation, (3) recycle all collected
70 CEDs in accordance with the minimum standards established in
71 section 22a-632 of the 2008 supplement to the general statutes, as
72 amended by this act, (4) (A) for CEDs other than CRT-based televisions
73 and non-CRT-based televisions, maintain a written log that identifies
74 responsible manufacturers by recording the brand and weight of each
75 CED delivered to a covered electronic recycler and identified upon
76 receipt as generated by a household in the state, and (B) for CRT-based
77 televisions and non-CRT-based televisions, maintain a written log of
78 the total weight of such televisions delivered each month to a covered
79 electronic recycler and identified upon receipt as generated by a

80 household in the state, (5) report to the commissioner any
81 manufacturer that is in arrears for more than ninety days, (6) file a plan
82 for carrying out the provisions of this section on a form approved by
83 the commissioner, and (7) invoice manufacturers quarterly for the
84 reasonable costs of transporting and recycling that the manufacturer is
85 responsible for [pursuant to this section. Such costs shall be calculated]
86 under this section, with such costs calculated (A) for CRT-based and
87 non-CRT-based televisions, on a sliding scale basis that is
88 representative of the manufacturer's market share of such televisions
89 in the state multiplied by the total pounds recycled, (B) for CEDs other
90 than CRT-based televisions and non-CRT-based televisions on a per
91 pound basis on separate invoices, and [shall] (C) for both
92 subparagraphs (A) and (B) of this subdivision, not to exceed fifty cents
93 per pound or an amount determined by the commissioner in
94 regulations adopted pursuant to section 22a-638 of the 2008
95 supplement to the general statutes. Nothing in this subsection shall
96 prohibit a registered manufacturer from entering into a cooperative
97 agreement with a covered electronic recycler to return such
98 manufacturer's CEDs for subsequent recycling by the manufacturer
99 provided the manufacturer certifies to the commissioner that such
100 CEDs have been recycled in accordance with subsection (e) of this
101 section and the manufacturer reimburses the covered electronic
102 recycler for such recycler's qualified costs, as determined by the
103 commissioner.

104 (d) On and after [January] July 1, 2009, each manufacturer shall pay
105 the reasonable costs of transportation and recycling incurred by a
106 covered electronic recycler for the CEDs attributed to such
107 manufacturer and the manufacturer's pro rata share of orphan devices
108 processed by a covered electronic recycler. A manufacturer's pro rata
109 share of orphan devices shall be calculated as a manufacturer's market
110 share for the preceding calendar year divided by the total market share
111 of all registered manufacturers for the same year multiplied by the
112 total, in pounds, of orphan devices returned. [The pro rata share of
113 orphan devices shall be calculated separately for CEDs consisting of
114 computer-related components, including desktop or personal

115 computers, computer monitors, portable computers and for CEDs
116 consisting of television-related components, including CRT-based and
117 non-CRT-based televisions. Manufacturers of only CEDs consisting of
118 television-related components or only CEDs consisting of computer-
119 related components shall only be liable for their corresponding pro
120 rata share.] The commissioner may suspend the registration of any
121 manufacturer in arrears for more than ninety days. A manufacturer
122 that has had such manufacturer's registration suspended in accordance
123 with this subsection shall demonstrate that all past due payments and
124 a penalty equivalent to ten per cent of such past due payments has
125 been paid to the commissioner prior to seeking reinstatement of such
126 registration. The commissioner shall deposit such penalty in the
127 covered electronic recycler reimbursement account established under
128 section 22a-27g of the 2008 supplement to the general statutes for the
129 purpose of reimbursing covered electronic recyclers for unpaid
130 qualified expenses in accordance with this section and any regulations
131 adopted pursuant to section 22a-638 of the 2008 supplement to the
132 general statutes. Any covered electronic recycler seeking
133 reimbursement for such qualified expenses shall file a request with the
134 commissioner and certify that such expenses are qualified. The
135 commissioner shall reimburse each covered electronic recycler to the
136 extent that funds are available.

137 (e) Any private program for the collection, transportation and
138 recycling of CEDs shall comply with the standards established in
139 section 22a-632 of the 2008 supplement to the general statutes, as
140 amended by this act. Any manufacturer participating in a private
141 program shall file a description of such program with such
142 manufacturer's annual registration, including: (1) The methods that
143 will be used to collect the covered electronic devices, including, but not
144 limited to, the name and locations of all collection and consolidation
145 points; (2) the processes and methods that will be used to recycle
146 recovered covered electronic devices, including a description of the
147 disassembly and physical recovery operation such as crushing,
148 shredding, grinding, glass-to-glass recycling or other operations that
149 will be used; (3) the name and location of all facilities to be utilized; (4)

150 documentation of audits of each processor used in the plan and
151 compliance with processing standards established in section 22a-632 of
152 the 2008 supplement to the general statutes, as amended by this act; (5)
153 a description of the means that will be utilized to publicize the
154 collection opportunities; and (6) the total weight of CEDs collected,
155 transported and recycled the previous year.

156 Sec. 5. Subsections (c) and (d) of section 22a-630 of the 2008
157 supplement to the general statutes are repealed and the following is
158 substituted in lieu thereof (*Effective July 1, 2008*):

159 (c) Commencing [January] July 1, 2009, all manufacturers shall pay
160 an annual registration renewal fee as determined by the commissioner
161 in accordance with subsection (d) of this section.

162 (d) Not later than [October 1, 2008] April 1, 2009, the commissioner
163 shall adopt regulations, in accordance with the provisions of chapter
164 54, to establish annual registration and reasonable fees for
165 administering the program established in sections 22a-629 to 22a-640,
166 inclusive, as amended by this act. All fees charged shall be based on
167 factors relative to the costs of administering such program and be
168 based on a sliding scale that is representative of the manufacturer's
169 market share of covered electronic devices in the state. Market share
170 information shall be based on available national market share data.
171 Fees shall be established in amounts to fully cover but not to exceed
172 expenses incurred by the commissioner for the implementation of such
173 program, including the cost of any education or outreach necessary to
174 carry out such program.

175 Sec. 6. Subsection (a) of section 22a-632 of the 2008 supplement to
176 the general statutes is repealed and the following is substituted in lieu
177 thereof (*Effective October 1, 2008*):

178 (a) On and after [January] July 1, 2009, covered electronic devices
179 collected through any program in Connecticut, whether by
180 manufacturers, retailers, for-profit or not-for-profit corporations, units
181 of government or organized by the commissioner, shall be recycled in

182 a manner that is in compliance with all applicable federal, state and
183 local laws, regulations and ordinances, and shall not be exported for
184 disposal in a manner that poses a significant risk to the public health or
185 to the environment.

186 Sec. 7. Section 22a-634 of the 2008 supplement to the general statutes
187 is repealed and the following is substituted in lieu thereof (*Effective*
188 *October 1, 2008*):

189 (a) Not later than [June 1, 2009] January 1, 2010, the Commissioner
190 of Environmental Protection shall post a list of all manufacturers in
191 compliance with the requirements of sections 22a-629 to 22a-640,
192 inclusive, as amended by this act, on the department's Internet web
193 site and shall maintain such list after said date. Retailers shall consult
194 the list prior to selling covered electronic devices. A retailer shall not
195 offer for sale in this state a covered electronic device of a manufacturer
196 that is not in compliance with such requirements. A retailer shall be
197 considered to have complied with this responsibility if, on the date
198 that the product was ordered from the manufacturer or its agent, the
199 manufacturer was listed as being in compliance on the department's
200 Internet web site.

201 (b) Notwithstanding subsection (a) of this section, a retailer may sell
202 any CEDs ordered or in stock at the time of the initial posting of such
203 list by the commissioner, regardless of whether the manufacturer of
204 such CED is on such list, until six months after the initial posting or
205 until [December 1, 2009] June 1, 2010, whichever is earlier.

206 Sec. 8. Section 22a-637 of the 2008 supplement to the general statutes
207 is repealed and the following is substituted in lieu thereof (*Effective*
208 *October 1, 2008*):

209 On and after [January] July 1, 2009, the Commissioner of
210 Environmental Protection may issue cease and desist orders in
211 accordance with section 22a-7 for any violation of sections 22a-629 to
212 22a-640, inclusive, and to suspend or revoke any registration issued by
213 the commissioner under section 22a-630 of the 2008 supplement to the

214 general statutes, as amended by this act, upon a showing of cause and
 215 after a hearing. The courts may grant such restraining orders and such
 216 temporary and permanent injunctive relief as may be necessary to
 217 secure compliance with sections 22a-629 to 22a-640, inclusive, as
 218 amended by this act. Civil proceedings to enforce sections 22a-629 to
 219 22a-640, inclusive, as amended by this act, may be brought by the
 220 Attorney General in the superior court for any judicial district affected
 221 by the violation.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2008</i>	22a-629(7)
Sec. 2	<i>October 1, 2008</i>	22a-629(20)
Sec. 3	<i>October 1, 2008</i>	22a-629(21)
Sec. 4	<i>October 1, 2008</i>	22a-631
Sec. 5	<i>July 1, 2008</i>	22a-630(c) and (d)
Sec. 6	<i>October 1, 2008</i>	22a-632(a)
Sec. 7	<i>October 1, 2008</i>	22a-634
Sec. 8	<i>October 1, 2008</i>	22a-637

ENV *Joint Favorable Subst.*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either chamber thereof for any purpose:

OFA Fiscal Note**State Impact:**

Agency Affected	Fund-Effect	FY 09 \$	FY 10 \$
Department of Environmental Protection	GF - Revenue Impact	See Below	See Below

Note: GF=General Fund

Municipal Impact: None

Explanation

Since the bill delays the date on which certain manufacturers must submit an annual registration fee, the fiscal year in which the revenue is first collected by the General Fund, through the Department of Environmental Protection (DEP), will be delayed by one fiscal year, from FY 09 into FY 10.

The fee for an initial registration is \$5,000 plus the greater of 1% of the prior year's total share of orphan devices (expressed in pounds) multiplied by \$0.50, or \$1,000.

In FY 07, about \$160,000 was collected by DEP from this registration fee from about 32 manufacturers.

The Out Years

The ongoing revenue impact identified above would continue into the future.

OLR Bill Analysis**sSB 582*****AN ACT CONCERNING THE RECYCLING OF COVERED ELECTRONIC DEVICES.*****SUMMARY:**

By law, television and computer manufacturers must participate in a program to implement and finance the collection, transportation, and collection of their discarded products, known as covered electronic devices (CEDs). This bill changes the basis for each television manufacturer's billings for its share of recycled televisions from "return share" to "market share". It delays, by six months, implementation of the state's recycling program. It also makes conforming changes.

EFFECTIVE DATE: October 1, 2008, except for a provision requiring the Department of Environmental Protection (DEP) to adopt regulations setting registration and other fees, which takes effect July 1, 2008.

SWITCHING FROM "RETURN SHARE" TO "MARKET SHARE" FOR TELEVISION MANUFACTURERS

Under current law, each television and computer manufacturer pays for its share of the recycling program based on a formula that compares its share of recycled CEDs to the total of recycled CEDs, a method known as "return share."

The bill revises this formula for manufacturers of cathode ray tube (CRT) and other televisions to one based on "market share" in the state. It assigns the cost of the program among television manufacturers on a sliding scale based on the number of televisions each manufacturer sells, compared to all televisions sold. It leaves unchanged the method of calculating a computer manufacturer's

financial obligation.

Current law requires electronics recyclers, when collecting CEDs, to keep a written log recording the brand and weight of each recycled CED generated by a Connecticut household. The bill eliminates the need to track recycled televisions by brand, requiring only that recyclers keep a written log of the total weight of these televisions they collect each month.

It specifies that recyclers must bill each television manufacturer according to its market share, multiplied by the total pounds of televisions recycled, and that separate invoices are to be used for televisions and other CEDS. As under current law, television and computer manufacturers cannot be billed more than 50 cents per pound or an amount set in DEP regulation.

Current law defines market share as a particular manufacturer's national sales of CEDs expressed as a percentage of the total of all manufacturer's national sales for a category of CEDs. Under the bill, market share is a manufacturer's national sales of a particular product category of CEDs, compared to all manufacturers' national sales for that CED category. It requires market share information to be based on available national market share data, rather than publicly available data.

TELEVISIONS NO LONGER ORPHAN DEVICES

By law, an orphan device is a recycled computer or television for which no manufacturer can be identified, or one made by a manufacturer that is no longer in business or has no successor in interest. Each computer and television manufacturer is billed for its pro rata share of orphan devices, determined by dividing its CED market share by the total market share of all manufacturers for a given year, multiplied by the total weight of recycled orphan devices. Under the bill, televisions are no longer considered orphan devices so television manufacturers will pay for all recycled televisions according to market share.

DELAY IN IMPLEMENTING E-WASTE RECYCLING

The bill delays, from October 1, 2008 to April 1, 2009, the deadline by which the DEP commissioner must adopt regulations establishing annual registration and reasonable fees to administer the recycling program.

It delays, from January 1, 2009 to July 1, 2009, the date:

1. for manufacturers to take part in the recycling program;
2. each town must provide for recycling;
3. each covered electronics recycler must cooperate with towns or regional authorities to provide for the collection and transportation of CEDs, reimburse them for certain transportation costs, recycle CEDs, and meet certain other requirements;
4. each manufacturer must pay the reasonable costs of transportation and recycling that CED recyclers incur for the manufacturer's share of CEDs and orphan devices;
5. manufacturers must pay annual registration renewal fees;
6. by which all CEDs must be recycled; and
7. DEP commissioner may issue cease and desist orders for certain violations of the program.

It delays, from June 1, 2009 to January 1, 2010, the date by which DEP must post on its website a list of complying manufacturers. It extends, from December 1, 2009 to June 1, 2010, the deadline by which CED sellers must stop selling CEDs from non-complying manufacturers.

COMMITTEE ACTION

Environment Committee

Joint Favorable Substitute

Yea 30 Nay 0 (03/14/2008)